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FISCAL IMPACT STATEMENT

LS 7410

BILL NUMBER: HB 1650

NOTE PREPARED: Jan 5, 2009

BILL AMENDED:

SUBJECT: Local Government Purchases of Road Salt.

FIRST AUTHOR: Rep. Austin

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the Department of Administration to enter into quantity purchase agreements with vendors for the purchase of road salt. It provides that these quantity purchase agreements must require the vendors to offer the road salt to political subdivisions.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Indiana Department of Administration (IDOA)* - The bill requires the IDOA to award quantity purchase agreements to vendors for the purchase of road salt, and to offer the road salt to political subdivisions. The IDOA currently has quantity purchase agreements for road salt, and indicates that they will continue to enter into these agreements. The current quantity purchase agreements do not offer the road salt to political subdivisions, so the new quantity purchase agreements would need to reflect the change provided by this bill. The IDOA's current level of resources should be sufficient to implement this change.

Background Information - IC 5-22-17-9 provides that contracts entered into by state agencies may require contractors to offer to political subdivisions services or supplies under conditions specified in the contract. Under current statute, road salt could be offered to political subdivisions in quantity purchase agreement contracts.

Explanation of State Revenues:

Explanation of Local Expenditures: This bill requires that the quantity purchase agreements for road salt

be offered to political subdivisions. If these purchase agreements offer salt at a lower price, local units could have reduced expenditures for these purchases.

Explanation of Local Revenues:

State Agencies Affected: IDOA.

Local Agencies Affected: Political subdivisions.

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